

I suggest allowing **phase 2** social equity applicants to sell their business and/or licenses now. Many social equity businesses are struggling and since they can't sell to a non social equity person they are stuck with a business that's losing money and stuck with a lease they will default on. Forcing them to file for bankruptcy, default on a lease, lose the license and their life savings.

Many **phase 2** applicants started a cultivation business in 2019 when cultivation businesses were thriving but California gave out too many cultivation licenses creating a very tough market to compete in. The Covid 19 delays and economic struggles that followed have put these businesses in debt. Their only way out without permanent damage is to sell the business. Very few social equity buyers are interested because the excessive amount of licenses caused cannabis prices to drop to an unprecedented low.

We need your help and failing to act soon will cause harm to the very people social equity was meant to help. This is a cry for help and everyone knows there are many others in this desperate situation. Selling the business before it fails allows phase 2 social equity owners a chance to break even, limit their losses, and maybe come out ahead.

Please help before it's too late.